

GSA has been notified by The Office of the Comptroller of the Currency (OCC) that it intends to declare excess a portion of space [on the 5th, 6th and 7th floors totaling 186,198 RSF/152,553 ABOA] that they currently are leasing in the Constitution Center located at 400 7th St., SW, Washington, DC. The Department of Health and Human Services (HHS) - Assistant Secretary for Preparedness and Response (ASPR) has expressed interest in this space at the Constitution Center. This is due to ASPR having to move out of their current leased space at the O'Neil Building by December 31, 2021 or sometime in 2022, through an agreed to extension with The Architect of The Capital's (AOC).

This is an economically advantageous deal for GSA, as follows: The delta between OCC's annually escalating lease rate [averaged \$56.57/RSF over the last 5.5 years of their lease] vs. a newly negotiated rate [\$48.00/RSF] by GSA/CBRE equals \$8.57/RSF over the same period of time. This delta X 186,198 RSF totals \$8,771,444.56 over 5.5 years [commencing on 5/1/22]. The new lease rate at \$48.00/RSF over the initial first 5.5 years plus the remaining 10 years at \$50.00/RSF [total of 15.5 years] are below the market's asking rate of \$58.62/RSF [source: DC Market 2020 – CBRE]. This, GSA and its tenant agency will be getting the space at a rate significantly below the market rate for the space. Other added probable savings include free rent of 19 months [or approx. \$14 M] plus ASPR taking the furniture that OCC will be excessing to them with an estimated savings to the Gov't of \$4M.